

BAYSHORE PHARMACEUTICALS LLC, USA (BAYSHORE)

DIRECTORS' REPORT

To
The Members
BAYSHORE PHARMACEUTICALS LLC

Your Directors have pleasure in presenting their Annual Report for the period ended 31st March, 2020.

FINANCIAL RESULTS

Particulars	2019-20 (Rs. in lacs)	October 02, 2018 to March 31, 2019 (Rs. in lacs)
Total Income	15,580.38	6,873.51
Total Expenditure	15,121.59	7,967.38
Financial Cost	101.47	38.39
Depreciation	1,737.41	173.95
Profit before extraordinary items and tax	(1,380.09)	(1,306.21)
Less: Provision for taxation		
Current	-	-
Deferred	-	-
Earlier Year's Tax	-	-
Profit after tax but before extraordinary items	(1,380.09)	(1,306.21)
Extraordinary Items	-	-
Other Comprehensive Income	423.31	(377.23)
Total Comprehensive Income for the period (Comprising Profit /(Loss) and Other Comprehensive Income for the period)	(956.78)	(1,683.44)
YOUR DIRECTORS RECOMMEND THE FOLLOWING APPROPRIATIONS		
Opening Surplus in Profit & Loss Account as the Beginning	(1,312.63)	(6.42)
Net Profit for the Period	(1,380.09)	(1,306.21)
Less:		
Transfer to General Reserve		-
Balance as at year end	(2,692.72)	(1,312.63)

INCORPORATION

The Company was incorporated under the laws of state of New Jersey (NJ) and founded in the year 2011. On 2nd October 2018, Ipca Pharmaceuticals Inc. USA, acquired 80% units Capital of Bayshore.

Bayshore is currently engaged in selling and marketing of FDA approved Generics Drug Products in the USA. The acquisition of the majority stake in Bayshore will add an opportunity to the Company's parent company to commercialize its registered Generics Drug Products in the USA market through this entity.

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TRANSFER TO GENERAL RESERVE

During the period under report, the Company has not transferred any amount to General Reserve Account.

OPERATIONS

The total income for the year 2019-20 was Rs 15,580.38. (for period of Oct 2nd, 2018 to March 31st, 2019 was Rs.6,873.51 lacs) and the operations have resulted in a net loss of Rs.1,380.09 (for period Oct 2nd, 2018 to March 31st, 2019 was Rs. 1,306.21 lacs). During the period under report there was no change in the nature of Company's business.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the period to which financial statements in this report relate and the date of this report.

SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2020 is Rs. 1,010.90 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate companies.

DIVIDEND

In view of the losses incurred, your Directors do not recommend any dividend for the financial year ended 31st March, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2020 and of the loss of the Company for the period;
- iii) that your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that your Directors have prepared the annual accounts on a going concern basis.
- v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

BAYSHORE PHARMACEUTICALS LLC, USA (BAYSHORE)

- vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FIXED DEPOSIT

During the period under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees or made any investment in any other Company.

AUDITORS, AUDIT REPORT AND AUDITED FINANCIAL STATEMENTS:

Virendra K. Jain, Certified Public Accountant, retires as auditors and, being eligible, offer themselves for re-appointment.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments.

PARTICULARS OF EMPLOYEES

Statement required under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force).

Employed throughout the financial year:

Name	Designation	Qualification	Date of Employment	Exp Yr	Gross Remuneration	Age	Last Employment
Mark A Moshier	President	BS in Marketing & Management	03/03/2011	27 Yrs	Rs. 319.07 lacs	58 yrs	Mylan Labs

Employed part of the financial year:

Name	Designation	Qualification	Date of Employment	Exp Yr	Gross Remuneration	Age	Last Employment
Dena Mendo	VP Sales & Marketing	HS Degree / Certified Negotiations	29/07/2019	25 Yrs	Rs. 159.54 lacs	55 yrs	ABC- HD Smith
Catrina Purcell	Dir Pricing & Contracts	MBA Finance - Long Island Univ	16/12/2019	22 Yrs	Rs. 78.00 lacs	57 yrs	Alvogen

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ACKNOWLEDGEMENTS

Your Directors place on record their profound admiration and sincere appreciation of the continued hard work put in by employees at all levels. Your Directors also place on record their appreciation for the continued co-operation and support extended to the Company by the trade and the customers.

For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read "Pranay Godha", written over a horizontal line.

**Pranay Godha
Chairman
June 15, 2020**

BAYSHORE PHARMACEUTICALS LLC
Balance Sheet as at March 31, 2020

Particulars	Note Ref.	As at 31/03/2020 (₹ Lakhs)	As at 31/03/2019 (₹ Lakhs)
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	1	10.84	6.29
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other Intangible assets	1	9,759.47	10,077.15
(e) Intangible assets under development		-	-
(f) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans	2	2.01	1.84
(iii) Others		-	-
(g) Other Non-current assets		-	-
		<u>9,772.32</u>	<u>10,085.28</u>
(2) Current Assets			
(a) Inventories		2,866.67	867.43
(b) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade receivables	3	3,324.98	3,539.55
(iii) Cash and cash equivalents	4	454.73	816.68
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Others		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	5	66.83	84.48
		<u>6,713.21</u>	<u>5,308.14</u>
Total Assets		<u><u>16,485.53</u></u>	<u><u>15,393.42</u></u>
EQUITY & LIABILITIES			
EQUITY			
(a) Share capital	6	1,010.90	1,010.90
(b) Other Equity	7	5,803.20	6,759.98
Total Equity		<u>6,814.10</u>	<u>7,770.88</u>
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	8	3,972.15	691.50
(ii) Trade payables		-	-
(iii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other Non-current liabilities		-	-
		<u>3,972.15</u>	<u>691.50</u>
(2) Current liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	8	-	1,383.00
(ii) Trade payables	9	4,876.06	5,052.00
(iii) Other financial liabilities	10	90.82	44.76
(b) Other current liabilities	11	732.40	451.28
(c) Provisions		-	-
(d) Current Tax Liabilities (Net)		-	-
		<u>5,699.28</u>	<u>6,931.04</u>
Total Equity and Liabilities		<u><u>16,485.53</u></u>	<u><u>15,393.42</u></u>

Statement of Significant Accounting policies and Other Explanatory Notes form part of the Balance Sheet and Statement of Profit and Loss

For and on behalf of the Board of Directors


Pranay Godha
Chairman/Director

Date: June 15, 2020

BAYSHORE PHARMACEUTICALS LLC

Statement of Profit and Loss for the period ended 31st March, 2020

Particulars	Note Ref.	2019-2020	Oct 02, 2018 to March 31, 2019
		(₹ Lakhs)	(₹ Lakhs)
I Revenue from operations	12	15,580.38	6,873.51
II Other income		-	-
III Total Income (I+II)		15,580.38	6,873.51
IV Expenses			
Cost of materials consumed			
Purchases of stock-in-trade	13	15,491.20	7,149.33
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	14	(1,999.24)	44.83
Employee benefits expense	15	643.05	279.38
Finance costs	16	101.47	38.39
Depreciation and amortisation expense	1	1,737.41	173.95
Other expenses	17	986.58	493.84
Total Expenses (IV)		16,960.47	8,179.72
V Profit/(loss) before exceptional items and tax (III-IV)		(1,380.09)	(1,306.21)
VI Exceptional Items		-	-
VII Profit/ (loss) before tax (V-VI)		(1,380.09)	(1,306.21)
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
IX Profit/ (loss) for the period from continuing operations (VII-VIII)		(1,380.09)	(1,306.21)
X Profit/ (loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/ (loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit/ (loss) for the period (IX+XII)		(1,380.09)	(1,306.21)
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss			
Exchange difference in translating the financials statement of foreign operation		423.31	(377.23)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		423.31	(377.23)
XV Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(956.78)	(1,683.44)
XVI Earnings per equity share (for continuing operation) :			
(1) Basic (₹)	18	(138,009)	(130,621)
(2) Diluted (₹)	18	(138,009)	(130,621)

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

For and on behalf of the Board of Directors



Pralay Goena
Chairman/Director

Date: June 15, 2020

BAYSHORE PHARMACEUTICALS LLC

Cash flow statement for the period ended 31st March 2020

Particulars	2019-20 (₹ Lakhs)	Oct 02, 2018 to March 31, 2019 (₹ Lakhs)
CASH FLOW FROM OPERATING ACTIVITIES		
1. Net profit/(loss) before taxation	(1,380.09)	(1,306.21)
Adjustments for :		
Depreciation	1,737.41	173.95
Finance charges	101.47	38.39
	<u>1,838.88</u>	<u>212.34</u>
2. Operating profit/(loss) before working capital changes	458.79	(1,093.87)
Decrease/(Increase) in Receivables and Advances	232.22	(672.86)
Decrease/(Increase) in Inventory	(1,999.24)	44.83
Increase/(Decrease) in Current Liabilities	108.92	1,752.25
	<u>(1,658.10)</u>	<u>1,124.22</u>
Movement in Foreign currency translation reserve	(409.64)	8,135.01
3. Cash generated from operation (A)	<u>(1,608.95)</u>	<u>8,165.36</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(591.50)	(8,226.12)
Net cash from / (used) in investing activities (B)	<u>(591.50)</u>	<u>(8,226.12)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Borrowing taken	3,280.65	-
Repayment of borrowings	(1,383.00)	-
Interest paid	(59.15)	(38.39)
	<u>1,838.50</u>	<u>(38.39)</u>
Net cash from / (used) in Financing activities (C)	<u>1,838.50</u>	<u>(38.39)</u>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	<u><u>(361.95)</u></u>	<u><u>(99.15)</u></u>
Cash and cash equivalents at beginning of period	816.68	915.83
Cash and cash equivalents at end of period	<u>454.73</u>	<u>816.68</u>
Components of Cash and Cash equivalents:		
Cash in hand		
Balance with Banks	454.73	816.68
	<u>454.73</u>	<u>816.68</u>

For and on behalf of the Board of Directors

Pranay Godha
Pranay Godha
Chairman/Director

Date: June 15, 2020

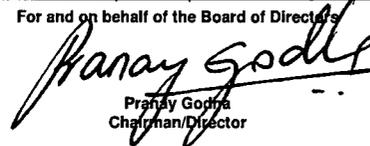
BAYSHORE PHARMACEUTICALS LLC

Statement of change in equity for the year ended March 31, 2020

(₹ Lakhs)

Particulars	Equity share capital	Reserves & Surplus		Other Reserves	Total
		Retained Earnings	Fair Value Adjustment	Foreign Currency Translation reserve	
Balance as on Oct 2, 2018	1,010.90	(6.42)	8,449.84	-	9,454.32
Share issued during the year	-	-	-	-	-
Profit for the period	-	(1,306.21)	-	-	(1,306.21)
Exchange difference in translating the financial statement of foreign operation	-	-	-	(377.23)	(377.23)
Balance as on March 31, 2019	1,010.90	(1,312.63)	8,449.84	(377.23)	7,770.88
Share issued during the year	-	-	-	-	-
Profit for the period	-	(1,380.09)	-	-	(1,380.09)
Exchange difference in translating the financial statement of foreign operation	-	-	-	423.31	423.31
Balance as on March 31, 2020	1,010.90	(2,692.72)	8,449.84	46.08	6,814.10

For and on behalf of the Board of Directors

Prashy Godha
Chairman/Director

Date: June 15, 2020

BAYSHORE PHARMACEUTICALS LLC

Statement of Significant Accounting policies and Other Explanatory Notes

Background

ACCOUNTING POLICIES

a) Accounting convention

The Financial Statements have been prepared to make them fit for consolidation in the ultimate holding company.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

b) Conversion In to Indian Rupees:

The translation of financial statements into Indian Rupees is done in accordance with Ind AS 21 (Revised) "Effects of Changes in Foreign Exchange" notified by the Companies (Accounting Standards) Rules 2015. The resultant Foreign Currency Translation Reserve is shown separately under other comprehensive reserves forming part of Other Equity.

The Assets and Liabilities are translated at closing rate except share capital, which is translated at the rate as on transaction date. The income and expenditure are translated at a rate nearing the average rate during the year.

c) Property, Plant and Equipment :

Acquisition of equipments, furniture and fixtures are capitalized in their respective accounts at cost. Ordinary maintenance and repair items are charged directly to expenses as incurred.

Depreciation is being provided based in the estimated useful life using straight line method.

d) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research and Development costs of products are Capitalised. When Product's technological feasibility as well as other related conditions have been established, in which case such expenditures are capitalised. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

e) Inventories: Stock is valued at the lower of cost and net realizable value, after making due allowance for obsolete and slow moving items. Cost is computed on FIFO.

f) Revenue Recognition: Revenue from sale of goods is recognised net of returns, product expiry claims and discounts. Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

To recognize revenues, the company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

g) Revenue in respect of insurance/other claims, interest, commission, etc., are recognized only when it is reasonably certain that the ultimate collection will be made.

interest income is recorded using the effective interest rate (EIR).

h) Taxation

Current Tax: Current Tax is calculated as per the Income tax law prevailing in USA.

Deferred Tax: Deferred Tax is recognized in respect of all timing differences that have originated but not reversed at the balance sheet date.

i) Cash and Cash Equivalents: For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

j) Foreign Exchange Transactions:

i) Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognised in the statement of profit and loss. In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

ii) Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the Statement of Profit and Loss.

iii) Non Monetary items that are measured at historical cost denominated in foreign currency are translated using exchange rate at the date of transaction.

BAYSHORE PHARMACEUTICALS LLC

Note 1

Other Intangible Assets

(₹ lakhs)

Particulars	Gross Block				Depreciation				Net Block			
	As on 01/04/2019	Additions	Sale/ W/off /Adjustment	Foreign Exchange fluctuation Reserve	As on 31/03/2020	As on 01/04/2019	For the year	Sale/ W/off /Adjustment	Foreign Exchange fluctuation Reserve	As on 31/03/2020	As on 31/03/2020	As on 31/03/2019
Research & Development	10,434.53	584.49	-	982.34	12,001.36	358.31	1,734.41	-	150.05	2,242.77	9,758.59	10,076.22
Organization Cost	1.95	-	-	0.18	2.13	1.02	0.14	-	0.09	1.25	0.88	0.93
Total	10,436.48	584.49	-	982.52	12,003.49	359.33	1,734.55	-	150.14	2,244.02	9,759.47	10,077.15
Previous year	-	10,542.92	-	(106.44)	10,436.48	-	172.92	197.58	(11.17)	359.33	10,077.15	-

Property, Plant and Equipment

Particulars	Gross Block				Depreciation				Net Block			
	As on 01/04/2019	Additions	Sale/ W/off /Adjustment	Foreign Exchange fluctuation Reserve	As on 31/03/2020	As on 01/04/2019	For the year	Sale/ W/off /Adjustment	Foreign Exchange fluctuation Reserve	As on 31/03/2020	As on 31/03/2020	As on 31/03/2019
Furniture & Fixtures	5.00	0.83	-	0.47	6.30	1.92	1.06	-	0.26	3.24	3.06	3.08
Office & Other Equipment	2.65	3.12	-	0.25	6.02	1.02	0.94	-	0.15	2.11	3.91	1.63
Computer Equipment	2.57	3.06	-	0.24	5.87	0.99	0.86	-	0.15	2.00	3.87	1.58
Total	10.22	7.01	-	0.96	18.19	3.93	2.86	-	0.56	7.35	10.84	6.29
Previous year	-	10.71	-	(0.49)	10.22	-	1.03	3.05	(0.15)	3.93	6.29	-

BAYSHORE PHARMACEUTICALS LLC

Notes to financial statements as at and for the year ended March 31, 2020

2 Financial Assets - Loans	Particulars	As at 31/03/2020		As at 31/03/2019	
		₹ Lakhs)		₹ Lakhs)	
		Current	Non-Current	Current	Non-Current
	Security Deposit		2.01		1.84
	Total	-	2.01	-	1.84

3 Financial Assets - Trade receivables (Unsecured, at amortised cost)	Particulars	As at 31/03/2020		As at 31/03/2019	
		₹ Lakhs)		₹ Lakhs)	
	Unsecured, considered good	3,324.98		3,539.55	
	Total	3,324.98		3,539.55	

4 Financial Assets - Cash & Cash Equivalents	Particulars	As at 31/03/2020		As at 31/03/2019	
		₹ Lakhs)		₹ Lakhs)	
	Balances with banks	454.73		816.68	
	Total	454.73		816.68	

5 Other Non-Financial Assets	Particulars	As at 31/03/2020		As at 31/03/2019	
		₹ Lakhs)		₹ Lakhs)	
		Current	Non-Current	Current	Non-Current
	Prepaid expenses	66.83	-	84.48	-
	Total	66.83	-	84.48	-

6 Share Capital	Particulars	As at 31/03/2020		As at 31/03/2019	
		No. of shares	₹ Lakhs)	No. of shares	₹ Lakhs)
			Issued & Subscribed & Paid up	1,000	1,010.90
	Total	1,000	1,010.90	1,000	1,010.90

Disclosures:
i) Reconciliation of Shares

Particulars	As at 31/03/2020		As at 31/03/2019	
	No. of shares	₹ Lakhs)	No. of shares	₹ Lakhs)
Ordinary Equity Shares				
Shares outstanding at the beginning of the year	1,000	1,010.90	1,000	1,010.90
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,000	1,010.90	1,000	1,010.90

ii) Details of Shareholding in excess of 5%

Name of Shareholder	As at 31/03/2020		As at 31/03/2019	
	No. of shares	Percentage of holding	No. of shares	Percentage of holding
by Ipca Pharmaceuticals Inc. NJ USA	800	80.00	800	80.00
Paradiso	100	10.00	100	10.00
SP Ventures	100	10.00	100	10.00

BAYSHORE PHARMACEUTICALS LLC

Notes to financial statements as at and for the year ended March 31, 2020

7 Other Equity

Particulars	As at 31/03/2020 (₹ Lakhs)	As at 31/03/2019 (₹ Lakhs)
Fair Value Adjustment Reserve	8,449.84	8,449.84
Retained Earnings	(2,692.72)	(1,312.63)
Foreign Currency Translation Reserve	46.08	(377.23)
Total	5,803.20	6,759.98

8 Financial Liabilities - Borrowings

Particulars	As at 31/03/2020 (₹ Lakhs)		As at 31/03/2019 (₹ Lakhs)	
	Non- Current	Current	Non- Current	Current
Borrowing from others	2,458.95	-	691.50	1,383.00
Borrowings from Ipca USA	1,513.20	-	-	-
Total	3,972.15	-	691.50	1,383.00

9 Financial Liabilities - Trade Payables

Particulars	As at 31/03/2020 (₹ Lakhs)	As at 31/03/2019 (₹ Lakhs)
Trade Payables - Others	4,876.06	5,052.00
Total	4,876.06	5,052.00

10 Financial Liabilities - Others

Particulars	As at 31/03/2020 (₹ Lakhs)	As at 31/03/2019 (₹ Lakhs)
Interest Payable	80.16	37.84
Other Payable	10.66	6.92
Total	90.82	44.76

11 Non-Financial Liabilities - Others

Particulars	As at 31/03/2020 (₹ Lakhs)	As at 31/03/2019 (₹ Lakhs)
Other Current Liabilities	732.40	451.28
Total	732.40	451.28

12 Revenue From Operation

Particulars	2019-20 (₹ Lakhs)	Oct 02, 2018 to March 31, 2019 (₹ Lakhs)
Sale of Goods	15,580.38	6,873.51
Total	15,580.38	6,873.51

13 Purchases of Traded Goods

Particulars	2019-20 (₹ Lakhs)	Oct 02, 2018 to March 31, 2019 (₹ Lakhs)
Purchases	15,491.20	7,149.33
Total	15,491.20	7,149.33

BAYSHORE PHARMACEUTICALS LLC

Notes to financial statements as at and for the year ended March 31, 2020

14 Changes in inventories of finished goods, Stock-in-Trade and work-in-progress

Particulars	2019-20	Oct 02, 2018 to March 31, 2019
	(₹ Lakhs)	(₹ Lakhs)
Opening Stock of Finished Goods	867.43	912.26
Less : Closing Stock of Finished Goods	<u>(2,866.67)</u>	<u>(867.43)</u>
Total	<u>(1,999.24)</u>	<u>44.83</u>

15 Employee benefits expense

Particulars	2019-20	Oct 02, 2018 to March 31, 2019
	(₹ Lakhs)	(₹ Lakhs)
Salaries	559.43	243.42
Staff Welfare	51.33	23.01
Others	<u>32.29</u>	<u>12.95</u>
Total	<u>643.05</u>	<u>279.38</u>

16 Finance Cost

Particulars	2019-20	Oct 02, 2018 to March 31, 2019
	(₹ Lakhs)	(₹ Lakhs)
Interest expenses	<u>101.47</u>	<u>38.39</u>
Total	<u>101.47</u>	<u>38.39</u>

17 Other Expenses

Particulars	2019-20	Oct 02, 2018 to March 31, 2019
	(₹ Lakhs)	(₹ Lakhs)
Travelling and Boarding expenses	47.01	23.92
Rent	28.19	12.14
Insurance	142.19	21.46
Office Supplies	9.23	2.67
Communication expenses	10.66	3.40
Professional charges	97.59	44.92
Rates & Taxes	5.80	1.56
Sales And marketing expenses	469.13	290.33
Audit fees	5.67	7.00
Bank charges	8.32	2.73
Books and Subscription	7.48	7.74
Product registration expenses	131.07	65.17
Miscellaneous Expenses	24.24	10.80
Total	<u>986.58</u>	<u>493.84</u>

BAYSHORE PHARMACEUTICALS LLC

Notes to financial statements as at and for the period ended March 31, 2020

- 18 During the previous year under report effective 2nd October 2018, 80% units has acquired by Ipca Pharmaceuticals Inc. USA, a wholly owned subsidiary of Ipca Laboratories Ltd., India. The net worth of the Company as on 02.10.2018 is as follows:

Particulars	As at October 02, 2018 (₹ Lakhs)
Non-current assets	
Property, Plant and Equipment	7.66
Other Intangible assets	10,569.06
Loans	1.93
Current Assets	
Inventories	912.26
Cash and cash equivalents	915.83
Other Current Financial Assets	2,951.17
Current liabilities	
Other Current Financial Liabilities	5,178.78
Non- Current liabilities	
Borrowing	724.80
Net Assets	9,454.32
Equity	
Equity Share capital	1,010.90
Other Equity	8,443.42
Total Equity	9,454.32

- 19 Disclosure as required by IND AS 24 "Related Party Disclosures" notified by the Companies (Accounting Standards) Rules 2015.

Relationship:	Country of Incorporation
Entities where control exists	
Ultimate Holding Company	
Ipca Laboratories Ltd., India	India
Holding Company	
Ipca Pharmaceuticals Inc., USA	USA
Key Management Personnel	
Pranay Godha-Director	India
Murali sarma - Director	USA
Mark Moshier - President	USA

BAYSHORE PHARMACEUTICALS LLC

Notes to financial statements as at and for the period ended March 31, 2020

Transactions

(₹ Lakhs)

Description	Entities where control exists	
	Ultimate Holding Company	Holding Company
Purchase of goods		
Ipca Laboratories Ltd., India	217.48	
Previous Year	-	
Reimbursement of expenses		
Ipca Laboratories Ltd., India	123.14	
Previous Year	-	
Loan taken/(payment made)		
Ipca Pharmaceuticals Inc. , USA		1,513.20
Previous Year		-
Interest Expenses		
Ipca Pharmaceuticals Inc. , USA		52.00
Previous Year		-
Payable		
Loan Payable		
Ipca Pharmaceuticals Inc. , USA		1,513.20
Previous Year		-
Interest Payable		
Ipca Pharmaceuticals Inc. , USA		30.26
Previous Year		-
Other Payable		
Ipca Laboratories Ltd., India	131.40	
Previous Year	-	
Total	-	-
Previous Year	-	-

19 Earning per Share

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic and diluted EPS.

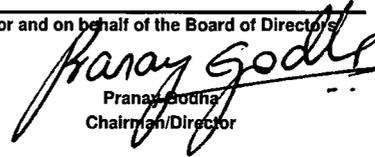
Particulars	2019-20	2018-19
Profit after tax (₹ Lakhs)	(1,380.09)	(1,306.21)
Equity Shares Outstanding (Nos)		
-Opening	1,000	1,000
-Issued during the year	-	-
-Closing	1,000	1,000
Weighted Average no. of shares outstanding (Nos.) - Basic	1,000	1,000
Weighted Average no. of shares outstanding (Nos.) - Diluted	1,000	1,000
Earning per share (₹)		
- Basic	(138,009)	(130,621)
- Diluted	(138,009)	(130,621)

BAYSHORE PHARMACEUTICALS LLC

Notes to financial statements as at and for the period ended March 31, 2020

- 20 The annual accounts have been prepared on going concern basis.
- 21 The accounts have been prepared and restated in Indian Rupees for the purpose of attachment to the accounts of the ultimate holding company to comply with the provisions of Indian Companies Act.
- 22 The Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of significant accounting policy and other explanatory notes form an integral part of the financial statements of the company for the period ended on 31st March, 2020.

For and on behalf of the Board of Directors


Pranay Godhe
Chairman/Director

Date: June 15, 2020